Employment Security Commission Of North Carolina
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Information Technology Plan
2009 – 2011 Biennium

October, 2008

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Executive Summary

One of the goals that guides the work of the Employment Security Commission as it meets state and federal guidelines and its overall mission is to maximize the effective use of technology in the delivery of workforce services to North Carolina's workers, employers, and the public through real time, telephone and internet-based, job search registration, job recruitment, unemployment insurance benefit claims, and labor market information access. Annual federal budget reductions and rising customer expectations regarding expanded service access options, reduced response times for services transactions and provision of service that is of at least comparable quality to leading private sector service providers have a critical impact on ESC's ability to meet this goal.

In support of this goal and in light of declining resource allocations, ESC intends to focus on two primary objectives during the biennium:

1. The implementation of an enhanced internet-based, labor exchange system designed to empower customers to direct their own recruitment and job search activities through easily managed personal and business accounts.
2. Implementation and refinement of an automated unemployment insurance benefits claims system.

Major Factors Influencing the Plan

The mission of the Employment Security Commission (ESC) is to promote and sustain the economic well being of North Carolinians in the world marketplace by providing high quality and accessible workforce-related services.

The Commission provides employment services, unemployment insurance, and labor market information to the State's workers, employers, and the public.

These services promote economic stability and growth, development of a skilled workforce, and a world class economy for North Carolina.

The following goals will guide the work of the Employment Security Commission as it meets state and federal guidelines and its overall mission.

1. Enhance the Employment Security Commission's central partnership role in the workforce development community by leading and/or supporting initiatives and outreach that promote the effective delivery of services for the citizens of North Carolina.
2. Ensure that the Employment Security Commission is the recognized source for job matching, unemployment insurance, and labor market information for North Carolina's workers, employers, and public.
3. Preserve the integrity of the trust and reserve funds that assist qualified unemployed workers, and ensure a level of funding that will support high quality workforce services for the citizens of North Carolina.
4. Maximize the effective use of technology in the delivery of workforce services to North Carolina's workers, employers, and the public through real time, telephone and internet-based, job search registration, job recruitment, unemployment insurance benefit claims, and labor market information access.
5. Treat each individual, customer, and employer with dignity, courtesy, fairness, and respect.

Two key considerations continue to have a critical impact on ESC's ability to meet these goals:

1. Annual federal budget reductions that are expected to be in force throughout the biennium, and
2. Rising customer expectations regarding expanded service access options, reduced response times for services transactions and provision of service that is of at least comparable quality to leading private sector service providers.

During the coming biennium, ESC has chosen to focus on the objectives and activities identified in Goal 4 as the best means for supporting the Commission's mission and achieving the remainder of its stated goals.

In support of these goals and in light of declining resource allocations, ESC intends to focus on two primary objectives during the biennium:

3. The implementation of an enhanced internet-based, labor exchange system designed to empower customers to direct their own recruitment and job search activities through easily managed personal and business accounts.
4. Implementation and refinement of an automated unemployment insurance benefits claims system.

Current Situation and Desired State of Major IT Applications/Infrastructure Assets, Personnel, Projects, and Management Functions

Current Projects and Registrations

ESC has several projects under way that will support the mission, goals and objectives of the Commission including:

1. Telephone Initials Claims (TIC): Currently, customers are able to file an initial claim for unemployment insurance benefits through the Internet, by visiting an ESC local office, or in selected geographical areas, through person-to-person telephone call. The TIC project will provide unemployment insurance benefits claim customers with the option of filing initial claims for benefits via an automated, natural language telephone system. The system will be available on nights, weekends and holidays as well as during normal business. Customers experiencing difficulty with the automated system will be transferred to a Customer Service Representative (CSR) during business hours or scheduled for a call back if difficulty is experienced during off hours.

   A second component of this project is to upgrade ESC's voice response capability for the filing of weekly certifications for benefits. The new application will be natural language enabled and hosted on the same IVR equipment as the initial claims application. This will improve the ease-of-use of the application and eliminate the need to replace up to 45 aging voice response units deployed across the State.

   The TIC project is being carried out in partnership with ITS, who subsequently, will be able offer similar state-of-the-art enterprise services to other agencies.

   A pilot implementation was initiated during the third quarter of 2008 with full implementation scheduled for the first quarter of 2009.

   ESC expects to work on planned enhancements to the TIC system throughout the period. In addition, work on upgrading the Internet unemployment insurance claims system is slated to parallel the TIC activities.

2. JobConnector: Today, job seekers are able to register for work online through an internet system or with staff assistance in an ESC local office. Similarly, employers are able to notify ESC of recruitment needs via the Internet, by telephone, e-mail, fax or personal visit. Matching and qualification evaluations are conducted by local staff through staff assisted functions and

manual intervention. The JobConnector project will provide a fully automated, browser-based system through which individual job seekers and employers will be empowered to manage their own business transactions with ESC. The system will utilize the U.S. Department of Labor (US DOL) sponsored O*NET occupational taxonomy and related systems to identify the job seeker's skills and match them, real-time, with employer job and skill requirements. ESC staff will be available to work with those who require or desire personal assistance. The system also is designed to serve as the primary tool for ESC staff in working with customers and reporting activity.

Initial implementation is scheduled for the fourth quarter of 2008.

A series of enhancements have been identified as priorities to follow initial implementation over the course of the biennium. These include replacement of the current mainframe based MIS with a server based reporting module and query component to allow generation of specialized reports on an ad hoc basis.

Applications

Analysis of the information contained in the Application Portfolio Management Tool shows that while a number of ESC applications are statewide in distribution and critical to the business of the Commission, virtually all are:
- low risk,
- high performance,
- high in architectural conformance, and
- meet all, or nearly all, of ESC's stated business requirements for the specific application.

Only one application, Unemployment Insurance Benefits reaches the level of medium risk. While this legacy mainframe application is approximately twenty years old, it continues to effectively deliver millions of dollars in benefit payments each week. During the recent recession, annual payments topped a billion dollars for several years. The system has been successfully enhanced to accommodate new Federal and State unemployment insurance compensation requirements, including the Emergency Unemployment Compensation 2008 program as signed into law on June 30, 2008. The primary issues with the system are:

- difficulty in modifying the system to account for law changes,
- difficulty in recruiting workers with appropriate skills to maintain the aging system, and
- the amount of time required for new staff to become sufficiently skilled to work independently in the system.

The original system guide was developed by a consortium of states under the direction of the US DOL. US DOL and a number of states have recognized the need to replace the existing system. During the biennium, ESC will be working with US DOL and the states in evaluating the best course of action for replacement of the current system.

Infrastructure Assets

ESC staff and Career Center PC's are running Windows XP Service Pack 2 and meet current operational needs. The Commission is examining the requirements to transition to Microsoft's Vista for the desktop operating system.

Currently ESC has Novell print and file servers in each local office that serve the local office and any associated branches. During the biennium, ESC will begin to examine the potential for consolidation of the services provided by these units by region.

ESC employs key (telephone) systems in virtually all of our central office units and local offices. After gaining experience with VoIP from the current UI project, the Commission will examine the suitability of VoIP for replacement of key systems in selected units or offices as current systems age out or as unit requirements change.

Operations/IT management

ESC IT staff are and will continue to be engaged with ITS throughout the biennium in a number of management and operational areas including, among others:

IT strategy
Project management
Mainframe operations
Disaster Recovery/Business Continuity
Networks
Telecommunications
E-mail
Contract staffing
Bulk PC procurement
Security
ESAP/MPLS
NCID
Antivirus
Encryption
Software quality assurance testing
Training
Consolidation

Human resources

The CIO assures that IT staffing requirements for both permanent and contract staff are presented to ESC senior management. The Commission has demonstrated and continues to demonstrate commitment to the conversion of contract staff positions to permanent staff positions where appropriate. ESC's initial efforts in this area met with some success, but difficulties in establishing and recruiting for new positions were encountered as a result of the Career Banding transition, implementation and funding process. There are issues in this area remaining to be resolved.

It is important to note that certain funds made available to ESC by the US DOL can only be used for hardware, software or contract services. These funds are normally earmarked for QA improvements, data validation and technology enhancement. Thus, ESC will continue to require access to contract services so long as this funding avenue remains available from US DOL. Additional flexibility in the area of contract services would make it easier to secure funds from this source and to successfully complete the work defined under such grants.

Major Initiatives and Investments

Telephone Initial Claims (TIC):

Summary Description

Currently, customers are able to file an initial claim for unemployment insurance benefits through the Internet, by visiting an ESC local office, or in selected geographical areas, through a person-to-person telephone call. The TIC project will provide unemployment insurance benefits claim customers with the additional option of filing initial claims for benefits via an automated, natural language telephone system.

A second component of this project is to upgrade ESC's voice response capability for the filing of weekly certifications for benefits. The new application will be natural language enabled and hosted on the same IVR equipment as the initial claims application.

Major Objectives to be Achieved and Benefits/Value to the Agency to Accrue

The system will allow customers a state-of-the-art, natural language option for filing unemployment insurance benefit claims. The system will be easy to use and will allow many customers to file their claim without staff intervention; however, ESC will provide Customer Service Representatives (CSRs), as needed, to assist customers who experience difficulties. The system will be available on nights, weekends and holidays as well as normal business. Customers experiencing difficulty with the automated process will be transferred to a CSR during business hours or scheduled for call back if problems are experienced during off hours.

The introduction of the fully automated system will allow many customers to successfully conduct business with ESC without the need to travel to one of our locations or, for that matter, without the need to speak to a staff member. This will reduce travel costs for customers and will allow ESC to reserve staff to handle more complex cases.

The system will be scalable to allow for economic downturns and associated rises in unemployment.

Implementation of the continued claims (i.e., weekly certification) component of the project will improve the ease-of-use of the application and allow elimination of up to 45 aging voice response units deployed across the State.

The TIC project is being carried out in partnership with ITS who, subsequently, will be able to offer similar enterprise services to other agencies.

Timeframe

Pilot implementation was initiated during the third calendar quarter of 2008 with full implementation scheduled for the first quarter of 2009.

Relationship with other Agency Initiatives/projects

The TIC system will provide easy access to the unemployment insurance benefits system for workers who don't have access to (or don't wish to use) the internet system. It will eliminate the need for customers to travel to ESC offices for clerical tasks that are better handled in other ways and will free staff to provide valued-added and intensive services for customers needing or wanting such assistance. While the objective of the TIC project is the timely payment of unemployment benefits to qualified individuals, it is the primary objective of ESC to have the individual return to suitable, gainful employment as soon as possible. Thus the unemployment insurance system in general and TIC in particular are intended to work closely with other initiatives such as JobConnector in support of the ESC mission and Goals 1-5.

Relationship with Statewide Initiatives/Projects and Common Shared Services

IVR services provided by ITS are being shared by other agencies.

Order-of-Magnitude Costs

13.3 million dollars over five years.

Funding Source: Federal

JobConnector:

Summary Description

Today, job seekers are able to register online through an internet system or with staff assistance in an ESC local office. Similarly, employers are able to notify ESC of recruitment needs via the Internet, by telephone, e-mail, fax or personal visit. Matching of qualified job seekers with available job openings is conducted by local staff through a combination of automated and manual processes. The JobConnector project will provide a fully automated, browser-based system through which individual job seekers and employers will be empowered to manage their own business transactions with ESC. The system will utilize the U.S. Department of Labor sponsored O*NET system to identify the job seekers skills and match them in a real time manner with employer skill requirements. ESC staff will be available to work with those who require or prefer personal assistance.

Major Objectives to be Achieved and Benefits/Value to the Agency to Accrue

JobConnector will conduct continual real time matches whenever new information becomes available. Customers (i.e., both jobseekers and employers) will receive immediate feedback on matches. Individuals will be able to conduct directed searches to determine the availability of certain types of jobs while employers will be able to initiate a similar search to identify potential employees.

Because the match is based on required and preferred skills, only individuals who meet all of the minimum skills requirements for a job will be referred to an employer. This should save time and money for the employer in reducing the need for repeated recruitment and retraining by finding the best candidate initially. Individual job seekers will save time and money by only being referred to jobs for which they are fully qualified.

The system is designed to provide a continuum of service. The initial focus will be on self service progressing through limited staff assistance to intensive staff support for those customers who need or want such services.

Successful self service allows customer empowerment and enhances the availability of scarce staff resources so that they may be focused where they are most needed.

Timeframe

Initial implementation is scheduled for fourth quarter 2008 with planned enhancements continuing throughout the biennium.

Relationship with other Agency Initiatives/projects

JobConnector will assist employers in finding skilled workers and job seekers in securing employment. As such, this project supports Goals 1, 2, 4 and 5. Approximately two thirds of the customers expected to use the system will be unemployed. Half of those unemployed individuals will be receiving unemployment benefits. When these statistics are taken into consideration, it is clear that a quick return to work is of benefit to the job seeker, the employer and the solvency of the unemployment insurance trust fund, thus supporting Goal 3.

Relationship with Statewide Initiatives/Projects and Common Shared Services

None

Order-of-Magnitude Costs

$450,000 over five years

Funding Source: Federal